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History

- During the second half of 1950, and the early months of 1951, the expansion of the para-military forces in the DDR, and the creation of the HVA, HVS, and embryo HVL necessitated the formation of a central supply office which could provide all these branches with equipment. Working in close co-operation with Willi Stoph (chief of the Economic Section of the SED Central Secretariat (ZK), Walter Ulbricht, Deputy Premier, created the so-called "Buero fuer Wirtschaftsfragen beim Ministerpraesidenten" (B.f.W.) which began to operate on 1 March 1951. The term "beim Ministerpraesidenten" was purely formal, and the new office was in no way dependent on, or connected with the office of the Ministerpraesident. It was, (and still is) directed by the SED Central Secretariat itself. Because of his position in the ZK, Willi Stoph was appointed head of the BfW, and in co-operation with Gustav Roebelin, Department for the Protection of the People's Economy in the SED ZK, began to vet and choose the personnel who were to staff the new office. As his own personal secretary, Stoph appointed a Frau Kieser (fmu) who has held the position ever since.

Scope of the BfW

- Subordinate to the BfW, as far as supply of equipment is concerned, are the HVA, HVS, HVA Branch Johannisthal (HVL) and HVdVP. From 1 January 1952 the Polizeipraesidium Berlin also receives its supplies of equipment from the BfW. Code names of the formations under the BfW are as follows:

HVA	BRUNO
HVS	HELMUTH
HVL	DORA
HVdVP	FRIEDRICH
Polizei Praesidium, Berlin	FRIEDRICH II

In theory, the BfW should already control supplies of equipment of every kind to these formations, but in fact it is not yet competent to do so. The department for the supply of uniforms and textiles for example, is still in process of being established, and the HV's are at present responsible for their own supplies. Supplies of arms and ammunition are still not controlled by the BfW, but there is almost daily evidence that it is intended to form a department to take over the responsibility from the HV's. (See para. 3 sub-para. for details of expansion of departments.)

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Organization and Personnel of the BfW

3. The BfW itself is divided into five departments, directly responsible to the chief.
- a. Hauptabteilung I. This department, which can be generally classed as the administrative department, is divided into three sub-departments. The head, Allenstein, fnu, was transferred to the BfW from the Ministry of the Interior. Apart from being head of the HA.I., Allenstein is also deputy to Willi Stoph, and in the latter's absence, is entitled to sign all documents. In certain cases where the authority of other department chiefs is insufficient, Allenstein is authorized to sign documents without consulting Stoph.

Alenstein is approximately 45 years of age, and is reputed to be efficient. His secretary is a Frau Tische, fnu.

- 1) Abteilung I - Kasse. This sub-department deals with all financial affairs (Kassenangelegenheiten). The chief is Kramer, fnu, who, apart from dealing with all bills, also has a certain supervisory capacity over the BfW's payment of bills to industrial concerns.
 - 2) Abteilung II - Planung. The Planungsabteilung is an important sub-department which co-ordinates the planning of all departments in the BfW. The chief, Kopatch, fnu, was formerly a member of the Ministry for Machine Construction. He is reputed to be quiet and intelligent, and lives in Gross Glienicke near Potsdam. His secretary, Fraeulein Mai, fnu, is also a leading member of the BfW SED cell. Kopatch also has one other female clerical assistant (name unknown) who was formerly employed in his old ministry.
 - 3) Abteilung III - Hausabteilung. This sub-department deals with all matters relating to the efficient running of the BfW. Drivers, cleaners, kitchen personnel, and all general duty personnel come under its control, and in addition it is responsible for the transit of mail and publications. Extensions which are being carried out to the building are also supervised by a so-called "Bauleitung" formed from personnel of the division. The head of this sub-department is Niegisch, fnu, and its other supervisors are Frau Kuchmeister, fnu, and Frau Friedrich. The "Bauleitung" consists of Pleske, fnu, Waldhoff, fnu, and a secretary, Frau Erbe. The first two large-scale extensions of the building, (blocks of new offices) were completed in December 1951. The third involving additional kitchens is still being carried out.
- b. Hauptabteilung II. The department is one of the most important functional departments of the BfW. It is still being built up, two new divisions for example having been added to it as recently as January 1952, making a total of six sub-departments. The head of the department is Raeschler, fnu, a convinced communist, and also training chief for the whole BfW. He was transferred to the BfW from the Chemistry Division (Minerals) of the Ministry for Machine Construction.

The divisions are the following:

- 1) Abteilung I - Planung. This sub-department is responsible for the supervision of planning inside the HA., and the co-ordination of its efforts with those of the entire BfW. It is subordinate to the planning division of HA.I., as far as policy is concerned, but is technically better informed. The chief is Jahn, fnu, (also formerly Minister of the Ministry for Machine Construction). Other personnel are Wenzel, fnu, formerly a member of the HVdVP, together with Chef. Insp. Glaeser, fnu. Secretary to the department is Frau Thieme, fnu.

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- 2) Abteilung II - Bekleidung. This recently formed sub-department deals with supplies of uniforms, cloth and textiles. On 4 January 1952, Pluschke, fnu, became chief and Henschel, fnu, (hitherto regarded as chief) became second in charge. The department is in process of taking over the responsibility from the HV's. Secretary to the sub-department is Frau Kubielsky.
 - 3) Abteilung III - Kraftfahrwesen. The Abteilung Kraftfahrwesen is responsible for the supply of vehicles to all the HV's. The chief, Robert Hoffmann, is reputed to be competent and efficient. His assistants are Albrecht, fnu, and Gross, fnu. Two new arrivals, including a secretary are expected in the near future.
 - 4) Abteilung IV - Nachrichten. This sub-department deals with the supply of all signals equipment. The chief, Debrecht, fnu, is not a technical expert but is important in SED circles. He is training chief for the HA.II. Debrecht's main assistant is Weirauch, fnu, formerly an Oberrat in the HVA, at present studying to become a graduate engineer. He is the main technical expert of the sub-department. Konja, fnu, and Knob, fnu, (a recent arrival) are other employees and the secretary is a Fraulein Seehaus.
 - 5) Abteilung V - Ausrüstung. This is a newly created sub-department whose duties are only just becoming defined. It is responsible for supplies of all kinds of furniture - tables, chairs, desks, etc. The chief is Foerster, fnu. The latter has only one assistant who arrived in January 1952.
 - 6) Abteilung VI - Allgemeine Maschinenbau. This sub-department is responsible for supplies of all small equipment such as binoculars, field compasses, etc. The chief is a former army official, Vesper, fnu, and assistants are Quaschniesky, fnu, and secretary Frau Kulaschewski. Also detached to this department are Klunkert, fnu, (formerly in the Ministry for Machine Construction) and Kuersten normally HV.III (Air) but deployed on account of lack of work in his own department. Two new assistants arrived in the Abteilung VI on 4 January 1952. Their names are not known.
- c. Hauptabteilung III. The Hauptabteilung III is responsible for supplies of equipment to the HVL. As the latter is not yet functioning, it is a very small department, but there are already signs of expansion. The chief of the department, Miller, fnu, works in close co-operation with HA.II when his own department is not busy. Miller's main assistant (classed as the only specialist) is the engineer Eisler, fnu, who was employed for two years in the construction bureau in Moscow, and came subsequently in close contact with Kessler (HVL). His equivalent rank is Chef-Inspekteur, but it is never used. Reinhardt, fnu, (also formerly in the Soviet Union), Knittel, fnu, all personnel of the HA.III, are frequently deployed to other HA's because of shortage of work in the HA.III. Miller's secretary, Frau Zibat, fnu, was transferred to the BfW from the Central Planning Commission.
- d. Hauptabteilung IV. This department deals especially with ship construction and dockyards. Its structure is not yet defined. The head until January 1952 was Schwarz, fnu, now posted to Wolgast. The name of his replacement (already appointed) is not yet known. Assistants to the chief are Brandt, fnu, a former Airforce General, Lindstroem, fnu, Juergensen, fnu, Schaeffer, fnu, and Joachim, fnu, all of whom are reputed to be of average intelligence and little permanent importance. The main work of the HV.IV at present is the control and supply of a so-called "Entwicklungskollektiv" in Wolgast. The latter which is generally known to be a hot-bed of dissention, has caused the HA.IV much embarrassment since its formation.

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c. Hauptabteilung V. The Hauptabteilung V under Tollmann, fnu, deals with heavier supplies to dockyards and shipyards. Up to the present, shortage of personnel has greatly restricted its activities. Tollmann's assistant is Sperrmann and his secretary Frau Erdmann. Although the work of the department is still very ill-defined, there is evidence that it will ultimately be responsible for constructional work of great importance. On 4 January 1952 four new assistants arrived in the construction division of the Hauptabteilung.

4. Procedure in the BfW

The work of the BfW can be divided into three phases:

- a. Placing of Orders (Bestellung)
- b. Commissioning (Auftrag)
- c. Realization (Realisation)

In October 1951 the HV's were given the task of preparing rough plans (Grobpläne) for their requirements in 1952. After these plans had gone to the Soviet Control Commission (SCC), Karlshorst, they then arrived at the BfW, and were registered in the planning division of the HA.I by Kopatsch. The latter divided the Grobpläne among the various HV's; Raeschler for example, HA.II (and Jahn) receiving indents for uniform material, textiles, vehicles, signals equipment, furniture, field equipment, etc. At this stage Raeschler and other HA chiefs were merely placed in the picture as to the Provisional requirements of the HV's for 1952 and it was their task with the assistance of their division chiefs, to determine whether the indents could be realized by the DDR industry. The division chiefs then negotiated with representatives of the various Ministries, e.g. Economy, Machine Construction, etc. to determine how far the order from the HV could be met by DDR's own industry, how far imports would be necessary, and to what extent orders would have to be cancelled altogether. The Grobpläne were then returned to the HV's with the BfW's conclusions on the subject. The HV's then drew up more accurate plans (Feinpläne) in which they restricted their orders to the "economic level" agreed upon between them and the BfW. At this stage the production price was also taken into consideration by the HV's for every commodity, and orders also adjusted accordingly. The "Feinplan" (at present, January 1952) being completed by some of the HV's is destined on completion to go, once again, to the SCC Karlshorst. After certain modifications there it will eventually be approved, returned to the HV's and the BfW, and finally passed on to industry as "Regierungsaufträge". (government orders).

The BfW and industry in general are at present greatly handicapped by the delay in the completion and approval of the "Feinpläne". The various works in the DDR are forced to adjust their own plans for 1952 to meet the orders received from the government, and until the "Feinpläne" are completed they cannot do so. As an example, if the head of HA.II, Raeschler, requires 2,000 HORSCHE LKW's in 1952, it is essential for the HORSCHE Works to know in advance how many of them have to be delivered in each quarter. In actual fact, until the Planungsabteilung of HA.II (Jahn) has determined whether the "Feinpläne" are feasible, the individual division chiefs of the HA cannot place final orders with industrial concerns. When this eventually does happen, the planning division of the various HA's act in a supervisory capacity and keep records of what commissions have been given to various firms.

When commissions are issued to DDR firms, the division chiefs of the HA's at the BfW state the exact quantity which has to be supplied in each quarter of the year, and the technical terms for delivery. Each commission is signed by the HA chief, and very important tasks are signed by Soph himself. Accompanying the written commission is an "approval pro forma" which has to be signed and agreed to by the firm, and returned within eight days of receipt.

When a commission (e.g., 2,000 pairs of binoculars) is completed, the BfW notifies the HV concerned and requests that it send so many representatives in civilian clothing to collect the goods. The BfW then sends its own representative, who sees that they are in fact handed over, and collects the bill. The BfW then pays the bill. The BfW (Kremer) to be paid within 14 days to the works in question.

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Apart from normal orders for goods, the BfW is also responsible for the commissioning of research work affecting the HV's. The HV's forward their specifications for any particular thing which they want developed, and the broad lines of development are then worked out by the division chiefs of the BfW, who pass them on to the Research and Development Works. There, a rough design is made and development costs estimated, and documents then returned to the BfW. It is then the task of the division chiefs to liaise with the HV representatives and sometimes an SCC representative. In cases of research, however, (unlike orders for goods), the HV itself gives final permission to Research Works, to go ahead with any project and after a number of months (varying according to the research in question) a specimen of the developed article is given tests by the HV. When any item has finally been approved, it again goes through the BfW to the Ministries who decide which particular works are most suitable to cope with production.

5. General Background notes on the BfW

Meetings of department heads under Stoph almost invariably include warnings about the secret nature of the BfW and Stoph has frequently and recently (7 January 1952) emphasized the importance of preventing the impression being given that the BfW is a future "Wehrministerium" (War Ministry). Police representatives (even Maron, Hoffmann, etc.) are not allowed to visit the building in uniform. All personnel are screened with the utmost thoroughness by Gustav Roethelin of the SED, ZK, and political reliability is regarded as of greater importance than technical qualifications. Wages are kept high in order to discourage disloyalty, an ordinary secretary, for example receiving between DM 500 - 700. Although the BfW is still in its infancy, it is generally believed in HV and BfW circles that it will ultimately become more than a center for supplies, but also the executive controlling body for all the HV's. ✓

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